WEEKLY REPORT TO THE COMMISSIONERS

FROM THE EXECUTIVE DIRECTOR

FOR THE PERIOD ENDING

APRIL 20, 1970

GUSTAVE L. LEVY AND JAMES HELLMUTH APPOINTED TO BOARD OF COMMISSIONERS

We were delighted to learn, early last week; that Governor Rockefeller had nominated for appointment to the Board Gustave L. Levy and James Hellmuth. The New York Senate confirmed the appointments last Saturday, April 18.

Mr. Levy has been appointed to fill the unexpired term of the late Commissioner Halpern, which will run until July 1, 1972.

Mr. Levy, born in New Orleans, began his business career with Newborg & Company and, in 1933, he joined the firm of Goldman, Sachs & Company. He became a partner of Goldman, Sachs in 1945. Mr. Levy is a member of the New York Stock Exchange and the American Stock Exchange. Like Chairman Kellogg and Commissioner Lasker, he has served as Chairman of the Board of Governors of the New York Stock Exchange (from 1967 to 1969), is a Trustee of the Bowery Savings Bank and serves on the Board of Directors of a number of industrial and financial firms.

In addition to his business activities Mr. Levy is active in philanthropic and civic affairs. He is presently Chairman of The Mount Sinai Hospital and the Mount Sinai Medical Center; Treasurer of Lincoln Center for the Performing Arts, Inc.; a Member of the Board of Visitors of Tulane University and a member of the Board of Governors of Tulane Medical Center, New Orleans; a Trustee of Reed College, Portland, Oregon; Treasurer and Trustee of The Jewish Museum; General Chairman and a Trustee of The United Jewish Appeal; and

Treasurer of the International Synagogue. He also served three terms as President of the Federation of Jewish Philanthropies of New York and is now Chairman of the Board of Federation.

Mr. Hellmuth was named by Governor Rockefeller to fill the unexpired term of the late Vice-Chairman Ben Regan, which will run until July 1, 1973.

Mr. Hellmuth is a Vice-President of the Morgan Guaranty Trust Company of New York. He previously served as Vice-President with the Bank of New York and was with the Empire Trust Company.

Mr. Hellmuth is Treasurer of the New York State Republican Committee and is Treasurer of the France-American Society. Earlier this year, he served as Chairman for the Eisenhower Medical Center Dinner Committee.

THIS PORT'S OCEANBORNE TONNAGE - 1969

Our fears of a setback last year - we hope a temporary one - in the growth of the Port's oceanborne tonnage were confirmed by the United States Bureau of Census figures for 1969. An analysis of those figures, just completed by Jerome Gilbert, Trade Economist in the Planning and Development Department, showed that oceanborne foreign trade moving through the Port last year, including both general and bulk cargo, totaled 53,897,682 long tons, a decline of 5.3 per cent from the 1968 level.

Causes Of Setback

Mr. Gilbert attributes the decline to two basic factors: the longshoremen's protracted strike during the first weeks of 1969 and the inflationary trend which plagued the nation last year. Because of a rise in the export price index approaching 10 per cent, the attractiveness of U.S. manufactured goods moving via the Port of New York to foreign buyers declined. Similarly, Mr. Gilbert noted that the attempt to cool inflation reduced the demand for imports from abroad.

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Oceanborne general cargo trade at the Port, the type most affected by the dock strike, totaled 15,085,575 long tons last year. This represented a decline of 7.8 per cent from the 16,368,775 tons handled the previous year.

The setback is expected to be temporary, as I noted in my Weekly Report of April 13, in which I reported that our long-range forecast for the 1970's indicates a substantial increase in the Port's total foreign trade - perhaps as much as 40 per cent by 1980.

Elizabeth Terminal Shows Gains

Our own figures indicate that most of the decline was in breakbulk tonnage handled through the Port. You will recall that in 1969 (see Weekly Report of February 9), activity at our Elizabeth docks rose 34 per cent, from 3,231,142 tons to 4,328,253 tons. Virtually all of this increase was in containered tonnage carried by the increasing number of containerships that entered foreign trade after the walkout. Some of the tonnage carried by these vessels was diverted from breakbulk piers; some was new tonnage to the port. The Elizabeth Terminal was the only one of our marine facilities to register an increase in tonnage last year. This occurred because of the introduction of new services and containerships during 1969 and the increase in the number of tenants in that growing pier facility.

Exports

The Port's general cargo exports decreased 5 per cent during 1969 from 5,784,721 tons in 1968 to 5,496,122 tons in 1969 with most of the principal general cargo exports posting losses. Commodities on the downside included road motor vehicles, plastic materials, miscellaneous machinery, inedible tallow, hydrocarbons, machinery for specialized industries and inorganic chemicals. However, export movement of some commodities ran counter to the downward trend and posted gains during 1969. These were primarily paper, paperboard and iron and steel products. Steel plates and sheets were especially strong, up 20.4 per cent to 269,412 tons.

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New York's Principal General Cargo Imports

Commodity	1969	1968	Per Cent Change
Sugar	1,095,549	1,101,341	- 0.5
Coffee	531,803	670,919	- 20.7
Bananas	492,445	570,469	- 13.7
Lumber	469,777	493,055	- 4.7
Alcoholic Beverages	313,630	331,153	- 5.3
Newsprint	309,160	390,943	- 20.9
Salt	307,571	121,344	+153.5
Steel Bars	292,984	390,532	- 25.0
Misc. Fixed Vegetable Oils	231,556	246,263	- 6.0
Copper	212,389	470,418	- 54.9

New York's Principal General Cargo Exports

Iron & Steel Scrap	1,552,290	1,344,265	+ 15.5
Steel Plates & Sheets	269,412	223,789	+ 20.4
Road Motor Vehicles	252,699	293,309	- 13.8
Plastic Materials	220,543	241,326	- 8.6
Miscellaneous Machinery	215,235	217,762	- 1.2
Inedible Tallow	192,911	217,510	- 11.3
Hydrocarbons	107,989	151,566	- 28.8
Paper & Paperboard	105,184	104,968	+ 0.2
Machinery for Special Industries	104,810	113,095	- 7.3
Inorganic Chemicals	74,862	87,103	- 14.1

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New York's Oceanborne Foreign Trade (1969 vs. 1968)
(long tons)

			Per Cent	Share of United States Totals		
	1969	1968	Change	1969	1968	Change
Bulk Exports	414,734	572,349	-27.5	0.4	0.6	-0.2
Bulk Imports	38,397,373	39,950,183	-3.9	18.5	20.7	-2.2
Total Bulk	38,812,107	40,522,532	-4.2	12.9	14.0	-1.1
Gen'l Cargo Ex.	5,496,122	5,784,721	-5.0	8.9	10.3	-1.4
Gen'l Cargo Im.	9,589,453	10,584,054	-9.4	18.1	18.5	-0.4
Total General Cargo	15,085,575	16,368,775	-7.8	13.1	14.5	-1.4
Total Exports	5,910,856	6,357,070	-7.0	3.8	4.1	-0.3
Total Imports	47,986,826	50,534,237	-5.0	18.4	20.2	-1.8
Total Ocean-borne Foreign Trade	53,897,682	56,981,307	-5.3	12.9	14.1	-1.2

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Imports

The movement of general cargo imports through the bi-state port dropped 9.4 per cent from 10,584,054 tons in 1968 to 9,589,453 in 1969. Again virtually all of the Port's principal general cargo imports registered losses during the year. The steepest declines were posted by copper, down 54.9 per cent; steel bars, down 25 per cent; newsprint, down 20.9 per cent; and coffee, down 20.7 per cent. The picture for copper was distorted by the nationwide copper strike in 1968 which resulted in an unusually high level of imports of that commodity during the time.

Share of National Totals

In contrast to the overall portwide picture of declining foreign trade last year, total United States oceanborne foreign trade advanced 3.4 per cent during the year. This resulted in a decline in New York's share of the total U.S. volume from 14.1 per cent in 1968 to 12.9 per cent last year. The decrease in the Port's share of the nationwide total was true for both bulk and general cargoes. New York's share of U.S. bulk cargo fell from 14 per cent in 1968 to 12.9 per cent in 1969; in general cargo, the decline was from 14.5 per cent in 1968 to 13.1 per cent last year.

CONSTRUCTION PROCEEDING RAPIDLY AT THE WORLD TRADE CENTER

As steel goes up along the northern boundary of The World Trade Center along Vesey Street for the new Customs House and the Northeast Plaza Building, brick comes down along the southern boundary at Liberty Street. Demolition has begun on the 17-story building at 117 Liberty Street and on four adjoining smaller buildings that formerly housed a luncheonette and two companies of the New York City Fire Department. The visitors' viewing gallery, which had been located on the 17th floor of 117 Liberty Street, has been relocated to the last remaining old building on the Trade Center site, 30 Church Street.

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Demolition of the building at 117 Liberty Street is required so that foundation work can begin for the Southeast Plaza Building. Structural steel for the Customs Building and the Northeast Plaza Building has been going up at a rapid pace and the steel for the Customs Building is now 60 per cent erected while the Northeast Plaza Building steel is 40 per cent erected.

New PATH Station

To date, almost the entire Concourse Level has been covered over with concrete; and during this past week, erection of steel for the Plaza Level began. With the Concourse more than 90 per cent covered, much of the work activity below continues unobserved. For example, the new PATH Station is beginning to take form. The first ties for rails on which the trains will operate will be put in place this week.

The banner signifying the 60th floor of the North Tower Building was hoisted last week and flooring was completed on the 59th floor. An accelerated schedule for steel erection has gone into effect in order that steel erection will be completed through the 100th floor by December, 1970, when floors 9 to 16 will be available for occupancy.

Improved Elevator Service

Elevator service in the North Tower Building has improved in the last few weeks with eight personnel elevators now in operation and service available to the 51st floor. Two additional construction elevators are expected to go into service this week. The need for the elevators is indicated by the fact that there are now approximately 2,500 workers on the job. The South Tower Building also has its first personnel elevator in service to the 9th floor and a material hoist is servicing up to the 12th floor.

Away from the site, two chandeliers were installed last week deep in the unusual location of the basement of The Port Authority Building at 111 - 8th Avenue. These lighting fixtures are two chandelier designs under study by Minoru Yamasaki, our architect and the Venitian glass designers and manufacturers, Venini, for the lobby of the Tower Buildings.

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The lobby ceiling of each Tower Building will be 73 feet high. In order to evaluate the designs, it is necessary to construct actual "mock-ups" and to place them in surroundings with dimensions which approximate, as closely as possible, their final locations. After searching the metropolitan area (including evaluation of installing them in the Tower Lobby during construction), the most feasible location found was in our own sub-basement at 111 - 8th Avenue.

Post Office Allocates Addresses

With the Trade Center's first tenants due to arrive in eight months, the official addresses for the above grade areas of The World Trade Center have been approved by the New York Postmaster. The buildings will be numbered from One through Six World Trade Center. For example, the North and South Tower Buildings will be One World Trade Center and Two World Trade Center, respectively. Numbers Three, Four, Five and Six will be the Hotel, the Southeast Plaza Building, the Northeast Plaza Building, and finally the United States Customs Building. A typical mailing address at The World Trade Center will include not only the official addresses noted above but the company name, suite number, and the official zip code (10048), which is solely for the Trade Center.

Precautions in Applying Fireproofing

Public awareness of air and water pollution have been making the headlines more and more; and the construction industry has been receiving its share of the attention of ecologists, especially in the matter of loose asbestos fiber used in fireproofing of steel. Therefore public attention has focused on construction at the Trade Center. While there has been some adverse publicity, two unrelated media pointed out to their audiences the precautions being taken at our project to prevent the spread of loose asbestos.

A CBS Television News report last week, while using the North Tower Building as a back-drop, explained the dangers of loose asbestos, but also pointed out that the Trade Center is the only construction project in the City in which tarpaulins are being used on the

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exterior of the building to prevent the spread of the asbestos. *ENGINEERING NEWS REPORT*, a McGraw Hill publication, also printed an article on the dangers of loose asbestos in which the Trade Center was the only construction project cited as using, in addition to the tarpaulins on the exterior of the building, plastic sheeting on the interior to prevent the materials from drifting into adjacent work areas. The article went on to say that New York City's Environmental Protection Adminsitration and the Department of Air Resources are now formulating rules for the application of fireproofing which in most cases are similar to the precautions being taken at The World Trade Center.

In addition, we are working very closely with Doctor Irving J. Selikoff of Mount Sinai Hospital, a noted authority in this area, and are requesting further recommendations from him for the public safety due to the required spray-on fireproofing at the World Trade Center.

KHEEL CONTINUES HIS IRRESPONSIBLE COMMENTARY

Although Theodore W. Kheel is supposed to be mediating the New York City newspaper dispute, he apparently has time to continue his irresponsible attacks against the Port Authority's fiscal policies. The *NEW YORK TIMES* on April 17th continued the public display of Mr. Kheel's distortions concerning our financial results and of the *TIMES'* own pattern of inaccuracy in reporting on Port Authority finances.

TIMES Reporting Distorted

Mr. Kheel once again claims runaway "profits" for the Authority that were not used on mass commuter projects. (See clippings.) The *TIMES'* report of our financial results is reasonably accurate up to a point: namely, that after meeting operating expenses and all debt service, our net increase in reserves for 1969 was $8 million. (See page 51 of our 1969 Annual Report.) The *TIMES* then adds a complete distortion by stating "At year's end, the